App. F. IX-4.

1926.

File No. 32 6-26

Previous References (- 1-6)

Serial Nos. 1-7

Later References

1-6 & 54-27 (1- PRESERVED

General and Revenue Secretariat.

Serial Nos. Seven

20

Part B for March 27

SUBJECT

Amendment of Rule 11 of the Rules for the Grant of loans.

D 6997-1-26 5.1.27

To

Director I & C Coimbatore

Amend Rule 11 of the Rules for the Grant of loans

Recommend

Serial No.

1 From the Dy. D. Dte
G 949/Bl. Dt 25.3.27
Recommends the grant of a Special loan of Rs 1875/- (payable in four annual instalments with interest at 6% to Mr. ~~B. Thammaiah~~ B. Thammiah, proprietor of the Sadasiva Saw Mills, Mysore to enable him to purchase an Electric Motor of 26 H.P.

1) A copy of the Rules for the Grant of loans for Industrial purposes is put up. As the Security is reported to be adequate the loan recommended may perhaps be Sanctioned as a Special case.

Submitted orders.

26.3.27

2) The loan may be Sanc[d] as a special case, as recommended by the Dir.

Sec[y] D)

29/3

283

29/3

3) What is the allotment available for the purpose - & how much is left?

29 3 27

31/3

4) An allotment of a Lakh of Rupees is made for Loans for the purchase of machine for the current year (Please See page 196 (2)

NOTE—Contn. Sheet

WD 01229—GPB—37,500—1-3-26
App. F. III—2

General and Revenue Secretariat

File No. 3 Vo —of 192 6

Serial No.

of the current year's budget).

5) As the Dist. also sanctions loans not exceeding Rs 2500 in individual cases information is not available as to the amounts sanctioned so far. It is ascertained from the Comptt. Office that only a payment of Rs 6041-1-3 has been made against the allotment of the lakh of rupees. At any rate the major portion of the allotment remains unutilised.

Tukka 4.2.27 : 1

6) The loan recommended by the Dist. is a combined Hire purchase & Taccavi loan — hire purchase in regard to the 15 HP Electric Motor & Taccavi in regard to the 26 HP. one now sought to be purchased. A sum of Rs 375 is due on the supply of the former, & Rs 1500 are wanted for the purchase of the latter. The Dist. proposes that a consolidated loan of Rs 1875 might be granted on the security of the entire plant which is valued by the Insd. Supt at Rs 7098. The Dist. considers the security ample.

7) Money is available under the grant allotment under "Loans for purchase of Machinery". The loan may be sd as a Special Case.

1st. Member

5/4/27

01/74

Error. Thro as Rules to be proposed to be modified

Sheet

To/III/VI

WD 01229—GPB—37,500—1/27
App. F. III—2

General and Revenue Secretariat | File No. ___ of 192

Serial No.

Jl 3424-26

FINANCIAL SECTION
8 APR.
No. 5670

GEN. & REV. SECRETARIAT
11 APR. 1927
DEVELOPMENT BRANCH

10562/14

9) Submitted to 1st Member through Fl Secy
WP 6/4/27

10) The Secy's recommendation may be sanctioned in principle & placed before
WP 9/4
(1st Member)
WP 12/4/27
WP 12/4

11) Mghe Saheb
Secy 13/4
WP 13/4/27

12) Two witnesses from outside Nellore Town have today deposited half amount & filed Settlement Deed. Issue of Sale Proclamation may please work up with printing & sale. Thereafter Collector may be moved in both aspects
Secy
WP 13/4.27
WP 13/4

Recd. 14.4.

13 Submitted with draft sanctioning the loan
Secy 23.4.27
Yes | After issue action will be taken on para 12
WP 14 Dft app Issue
7
3/4.

5K 341-26-2

NOTE—Contn. Sheet

WD 01229—GPB—37,500—1-9-26
App. F. III—2]

General and Revenue Secretariat

File No. 61 2 of 192

Serial No. 2

To Director, Ind.
Comptroller to Govt
9283-4 of 28.4.27
with refce to st. 1 sanction on a special case the grant of a special loan of Rs 1875/- to Mr. Thaiumanayar.

1) This may perhaps be referred W.O. to the Dir. of Ind for favour of remarks (with refce to member's remarks in para 12) whether any alteration in the existing rules is necy.

Subject orders.

Issue 16.5.27 VS Secy(D.) VS 20/5/27

20/5

W. No. 1037 of 26

It forwarded with compliments to the Director Ind. & Comce in Mysore for favoured opinion

24 5 27

N Rama Rao
Secy to Govt VS

Returned with compliments.

17 The rules for the grant of loans to facilitate Industrial operations are at present defective owing to the reason that no Taccavi Loan can be granted under Rule 11 unless a security in the shape of "land or other immoveable property" ~~can be~~ is offered by the applicant. The rule as it stands at present therefore penalises all people who do not hold land or other immoveable property to - -

NOTE—Contn. Sheet

App. F. III—2]

General and Revenue Secretariat. | File No. of 192 :—

Serial No.

to offer as security. In several instances, businessmen who have sunk all their money in - Industrial ventures and who have no land or other immoveable property to offer as security cannot get a Taccavi Loan although they are prepared to offer as security the plant and buildings already erected by them. It is true that the building in which an Industrial plant is installed comes under the definition of "other immoveable property", but it has been the custom of the Department to call for security in the shape of land or other house property and to ignore the building in which the industrial plant is installed. In order to make the point clear I would recommend that Rule 11 may be slightly amplified.

18 The Second sentence of the rule may run as follows : -

"The nature of the security to be required of the applicant or the surety shall be the saleable interest in lands, other immoveable property, plant and fixtures, held by the borrower or his - surety &c &c"

19 This would provide for cases where no lands or houses can be offered by the applicant, but - only an Industrial plant. In order to safeguard the interests of Government, I would suggest that where Industrial ~~xxxxx~~ plant is offered as securi -ty, the market value of the plant should be at least twice the amount of the loan applied for.

NOTE—Contn. sheet.

WD 2293—GPB—10,000—4-5-27

Notes. 51 D Section:— 6

Subject:— .....

.....

.....

10 The object on which the loan is expended, is required to be mortgaged to Government as additional security under Rule 11. In cases, however, where the loan is purely for working capital, it is difficult to determine the additional security required by the rule. In such cases, I would recommend that the applicant should guarantee to have in possession either in the form of manufactured goods, work-in-process, or cash in hand or at Bankers, one and a half times the loan given as working capital. The applicant may be required to submit a quarterly statement of his floating assets with a certificate of correctness.

C Ranganatha Rao Sahib
Director.

2nd June 1927.

11 I would insist on more solid security than stocks, or goods in the course of manufacture; for the latter valuation is often a matter of fraction of the book value; Cash at the bankers is all right - but if there is such, why should the borrower ask for a loan?

REVENUE

12 Please put up a copy of present rules.

4 6 27

4/6

2 A copy of the rules is put up. I think the Bd of Rev may be consulted. The rules were recently revised, at the instance of the Bd.

7.6.27

Sec'y D)

15/6

13 Please consult Bd of Rev

6.7.27

6-7-27

WD 1975—GPB—3 reams—9-4-27

6102 7961

General and Revenue Secretariat. File No. 37-6 of 1926.

Serial No.	
	25 Draft Sanction for appl. Secy 11.7.27 Fin 12.7.27 Dev. Secy
1	24 Issue HM 18/7/27 Fin 18.7.27
4	To the Secy. Bd. of Dr. No. D. 869 of 21.7.27 Calls for the opinion of the Bd. of Dr on the note of the Dir. of Dr suggesting the desirability of revising the existing Rules for the grant of loans.
3	From the Dir. of Dr No. 1737 of 23.5.27 States that the Rate of interest of 6½% referred to in the G.O. granting the loan to Smt. B. Shanmuga may be changed to 5%. 27 Sanction with draft Sanctioning for appl. Secy 29.7.27 Fin 1.8.27

OFFICE OF THE SECOND MEMBER OF COUNCIL
20 AUG. 1927
No. 986

NOTE—Contn. sheet.

Dev Secy
The orig recommendation was due to oversight - which ought to have been rectified here, but was not. Dft may be altered

WD 2293—GPB—10,000—4-5-27

Issue VS 24/8/27 2d Member Issue HM 20.8.27 Secy 19.8.27 Fin

2433 · 7961 App. F. III—2]

General and Revenue Secretariat. | File No. 8 22 of 1926.

Serial No. 5.

No D 2154-S D 27-8-27

Do. The Dir of Ste
The Comptr to Govt.

Secretary the recommendation made
see Sl 3.

from the Secy. Bd. of Ste
186 D 16.9.27

States that the Bd. resolved at its meeting
on 3rd Sept. 27 that the modifications suggested
by the Director were suitable & might be adopted.

31 Subt with a draft approving
the ~~Dirs~~ modifications suggested by the
Dir. of Ste and agreed to by the Bd. of Ste.
9.10.27

32. Draft submitted for orders. The
portion relating to loans for working capital
is not included in the draft as it may
not be possible to insist on the guarantee for
the Govt to maintain in manufactured
goods, work in process etc the stocks for which
the loan given as working capital and
the loan is discharged as observed by the
Secy in para 21.

Dy Secy
10/10/27

33) Please type as revised

21/10/27

Dy
22/10

NOTE—Contn. sheet

WD 0324—GPB—60,000—24-5-27

General and Revenue Secretariat. File No. 326 of 1926.

Serial No.

1-11

27 DEC. 1927
No. 3478

7

REVENUE SECRETARIAT

NOTE—Contn. sheet.

TELEGRAPHIC ADDRESS : "INDUSCOM"

In reply please refer to
No. C 949

GOVERNMENT OF MYSORE.

DEPARTMENT OF INDUSTRIES AND COMMERCE.

OFFICE OF THE DIRECTOR,

Dated Bangalore, the 22nd March *192* 7

Work up
please - in
14 days

FROM

C. RANGANATHA RAO SAHIB, ESQ., B.A., B.L.,
Director of Industries and Commerce in Mysore,
(Bangalore India.)

To

The Secretary to the Government of Mysore,
Development Departments,
B a n g a l o r e.

SIR,

I have the honor to state that Mr. B. Thammaiya, Proprietor of the Sadasiva Saw Mills in Mysore, applied to this Department for a Hire Purchase loan of Rs 750/- to enable him to purchase a 15 H.P. Electric Motor and deposited a sum of Rs 375/- as preliminary purchase money. He has recently purchased a second-hand Vertical saw mill with 24 blades so as to cut timber logs into scantlings and as the motor originally supplied is incapable of working this heavy machinery, he now wants another Electric Motor of 26 H.P. valued at Rs 1,500/- He is prepared to mortgage to Government the entire plant as security against a loan of Rs 1,500/- required for the Electric Motor and the sum of Rs 375/- advanced in respect of the 15 H. P. Motor . The entire plant is valued by the Superintendent of Industries, Mysore Division at Rs 7,098/-. I have inspect-ed the plant to-day and I have no doubt that it is more - than double the value of the loan advanced by Government.

The application of Mr. Thammiah cannot be brought under any of the Clauses of the Taccavi Loan Rules. It is neither a Hire Purchase loan nor a Taccavi Loan.. I beg however to submit that a loan of Rs 1,875/- may be sanctioned as a special case outside the Loan Rules. The amount may be made payable in four annual instalments with interest at the usual rate viz., 6½ per cent per annum. As Mr. Thammiah wants the motor very urgently I request that early orders of Government may

may be obtained on this application.

I have the honor to be,

Sir,

Your most obedient servant,

Ramayanna Rao Sahib

Director.

G.R.S. VI G 34]

SUBJECT.....

.....

.....

Diary No. of letter replied to.....

General and Revenue Secretariat

( )

, *the* 192

Date of issue.... 28-4-37

Signed by.....

May this be

i Printed ?

ii treated as a standing order ?

iii published in the Gazette, English Part ?

iv translated ?

v placed at the disposal of the press ?

vi published in the Gazette, Kannada Part ?

Section 2 K

File No. 326-4

Serial No. 2

Proceedings of the Government of His Highness the Maharaja of Mysore

Read—

Letter no. 8969/Ed Ct 36/36 dated March 1937 from the Dir. of Ind. & Comm. stating that a 15 H.P. Electric Motor has been supplied to Mr. B. Thammaiya proprietor of the Sadasiva Saw Mills, Mysore, with the help of a ~~(illegible)~~ H.P. loan of Rs 375/- granted to him and that the party now wants another Electric Motor of 26 H.P. valued at Rs 1500/- to work the Saw mill he has purchased ~~Order Thereon—No.~~ recently and recommending that ~~he~~ he may be granted a Special Loan of Rs 1875 — Rs 1500 being the price of the new Motor required by him + Rs 375 due on the loan already granted — on

The Security of the entire plant with them estimated at Rs 7,098/-, the loan being repayable ~~with~~ in four annual instalments with interest at the usual rate @ 6½ % p.A.

Order No. 9283-CE dt 28/4/37

Sanctioned, as a Special case

WD 23/4
Asst Secy

Asst
20.4.37 . To the Dir. of Fin
The Comptr Lghse

VC

List of enclosures.

Copied by

Examined by

WD 1883—GPB—1,000,00—21-12-21

Telegraphic Address: "INDUSCOM."

In reply please refer to No. G 1231

GOVERNMENT OF MYSORE.
DEPARTMENT OF INDUSTRIES AND COMMERCE.

OFFICE OF THE DIRECTOR,
Dated Bangalore, 23rd May 1927.

FROM

C. RANGANATHA RAO SAHIB, ESQ., B.A., B.L.,
Director of Industries and Commerce in Mysore,
Bangalore (India).

I IC 326-26-3.

To

The Secretary to the Government of Mysore,
Development Departments,
B a n g a l o r e.

SIR,

6103 With reference to Government order No. D. 9283-4 I & C 326-26-2 dated the 28th April 1927 sanctioning the grant of a Hire Purchase loan of Rs 1,875/- to Mr. B. Thammaiya of Mysore and making the loan repayable in four annual instal-ments with interest at 6½ per annum, I have the honor to state that the ordinary rate of interest chargeable on loans sanctioned after 1st July 1926 is only 6 per cent per annum as per para 3 of the revised rules issued in G. O. No. IC. 8815-16 I & C 446-24-8 of the 28th June 1926. I request you to kindly obtain orders of Government to charge interest at 6 per cent in this case instead of 6½ per cent

which

ya

which rate was recommended by oversight.

I have the honor to be,
Sir,
Your most obedient servant,

Ranganatha Rao Sahib
Director.

usc)

b.

APP. F. VI. Gl.]

SUBJECT.....

.....

.....

Section Irr

File No. 326-26

Serial No. 4

No. D 849 Genl 1.

Diary No. of letter replied to.....

General and Revenue Secretariat

( )

the *192*

To

The Secy. Bd. of Ir.

Date of issue 21.7.27

Signed by Mr P.H.K. Rao

Sir

I am directed to forward herewith a copy of the note of 2nd June 27 by the Dirs of Ir suggesting the desirability of revising the Rules for the grant of Industrial loan (issued under Govt no. De 3815-16/Ir-446-24-8 of 28th June 26) and to state that Govt would be glad to have the opinion of the Bd of Ir on the suggestions of the Dirs of Ir etc

P —

List of enclosures.....

Copied by.....

Examined by .....

Tanker
21.7.27

Yours
Dep Secy

over

WD 0562--GPB--31,000--17-8-25

7

G.R.S. VI G 34]

SUBJECT.....

.....

.....

Diary No. of letter replied to.....

General and Revenue Secretariat

( )

, *the* *192*

Date of issue.... 27-5-27

Signed by.....

May this be

i Printed ?

ii treated as a standing order ?

iii published in the Gazette, English Part ?

iv translated ?

v placed at the disposal of the press ?

vi published in the Gazette, Kannada Part ?

R —

Section [illegible]

File No. 326-26

Serial No. 5

Proceedings of the Government of His Highness the Maharaja of Mysore

Read—

Letter no. G. 1237/Loans-27 23rd May 27 from the Dirs. of Ind requesting that the rate of interest at 6½% charged on the loan granted to Mr. B. Shamiah of Mysore in Go. no. D. 9283-4/Ind 326-26-2 of 29th April 1927 may be changed to 6% - The rate chargeable on loans sanctioned after 1st July 26

Order Thereon No. D.2154-55 dated 28/5/27

The Directors recommendation is sanctioned

Read 20.5.27

Initials 29.7.27

I.F.D./Dev. Secy

To The Dirs. of Ind

The Comptr. Mysore

Board of Industries & Commerce,

No. 126. *Bangalore, dated...16th September...192 7.*

From

R. ANANTASUBRAMANYAM, Esq., B.A., B.L.,
SECRETARY, BOARD OF INDUSTRIES AND COMMERCE,
BANGALORE.

GEN. & REV. SECRETARIAT,
19 SEP. 1927
DEVELOPMENT BRANCH.

To

N. Rama Rao, Esq., B.A., B.L.,
Secretary to Government,
Development Departments.

Sir,

I & C 326-26-6

With reference to your letter No. D. 849/ I & C 326-26-4 dated 21st July 1927, requesting the opinion of the Board regarding the desirability of revising the rules for the grant of Industrial loans as proposed by the Director of Industries and Commerce, I am directed to state that the subject was considered by the Board at its meeting held on 3rd September 1927 and it was resolved that the modifications suggested by the Director were suitable and might be adopted.

I have the honour to be,

Sir,

Your most obedient servant,

Secretary.

9 - 5.0

Proceedings of the Govt of H.H.
the Maharaja of Mysore.

Read -

G. O. No.I.C.8815-16/I&C 446-24-8 dated 28th June 1926 issuing rules for the grant of loans for Agricultural, Industrial and Commercial purposes.

2. U.O. note dated 2nd June 1927 from the Director of Industries and Commerce suggesting a change in rule 11 so as to admit of loans being granted on the security of "Plant and fixtures"..

3. Letter No.186 dated 16th Septr. 1927 from the Secretary Board of Industries and Commerce stating that the Board of Industries and Commerce resolved at its meeting held on 3rd Septr. 1927 that the modifications suggested by the Director of I & C were suitable and might be adopted.

Order No.D.

Dated, October 1927.

Rule 11 of the Rules for the grant of loans published with G.O. No.I.C.8815-16/ I & C ~~dated~~ 446-24-8 dated 28th June 1926 will be modified as below: -

// Security.-(a) No loan shall be granted unless the value of the security is at least equal to the amount of the loan applied for. The nature of the security to be required of the applicant or his surety shall (ordinarily be) the saleable interest in lands, or ~~or~~ other immoveable property, or plant and fixtures,

p.t.o.

held by the borrower or his surety, as the case may be, provided the value of the same is at least equal to the amount of the loan applied for; ~~xxxxxxxxxx xxxxxxxxx

Proceedings of the Govt. of H.H.
the Maharaja of Mysore.

Read -

G. O. No.I.C.8815-16/I&C 446-24-8 dated 28th June 1926 issuing rules for the grant of loans for Agricultural, Industrial and Commercial purposes.

2. U.O. Note dated 2nd June 1927 from the Director of Industries and Commerce suggesting a change in rule 11 so as to admit of loans being granted on the security of "Plant and Fixtures".

3. Letter No.186 dated 16th Septr. 1927 from the Secretary Board of Industries and Commerce stating that the Board of Industries and Commerce resolved at its meeting held on 3rd Septr. 1927 that the modifications suggested by the Director of I & C were suitable and might be adopted.

Order No.D. 6997-98

Dated, 5-1-1928.

Rule 11 of the Rules for the grant of loans published with G.O. No.I.C.8815-16/ I & C 446-24-8 dated 28th June 1926 will be modified as Below:-

11. " Security, - (a) No loan shall be granted unless the value of the security is at least equal to the amount of the loan applied for. The nature of the security to

p.t.o.

be required of the applicant or his surety shall ordinarily be the saleable interest in lands or other immoveable property held by the borrower or his surety, as the case may be, provided the value of the same is at least equal to the amount of the loan applied for; in addition to which the object upon which the loan is expended shall be mortgaged to Government as additional security. The Director of I & C may, in exceptional cases, and subject to the approval of Government, accept saleable interest in industrial plant and fixtures as security in lieu of lands or other immoveable property provided that the plant and fixtures have a realisable market value of at least twice the amount of the loan applied for.

Secretary to Government,
Development Departments.

28/12/25

To

The Director of I & C.
The Comptroller.
The Secretary, Board of I & C.